

***Superseded 5/12/2015***

**31A-37-404 Discounting of loss and loss adjustment expense reserves.**

- (1) The following may discount its loss and loss adjustment expense reserves at treasury rates applied to the applicable payments projected through the use of the expected payment pattern associated with the reserves:
  - (a) a sponsored captive insurance company; and
  - (b) a captive reinsurance company.
- (2)
  - (a) The following shall annually file with the department an actuarial opinion provided by an independent actuary on loss and loss adjustment expense reserves:
    - (i) a sponsored captive insurance company; and
    - (ii) a captive reinsurance company.
  - (b) The independent actuary described in Subsection (2)(a) may not be an employee of:
    - (i) the company filing the actuarial opinion; or
    - (ii) an affiliate of the company filing the actuarial opinion.
- (3) The commissioner may disallow the discounting of reserves by the following if the company violates this title:
  - (a) a sponsored captive insurance company; or
  - (b) a captive reinsurance company.